

## Senate Bill No. 688

### CHAPTER 76

An act to add Section 10754.1 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

[Approved by Governor July 7, 1999. Filed with  
Secretary of State July 7, 1999.]

#### LEGISLATIVE COUNSEL'S DIGEST

SB 688, Burton. Vehicle license fees: offset: internationally registered vehicles.

The Vehicle License Fee Law establishes, in lieu of any ad valorem property tax upon vehicles, an annual license fee for any vehicle subject to registration in this state in the amount of 2% of the market value of that vehicle, as specified. For vehicle license fees with a final due date on or after January 1, 1999, existing law establishes a permanent offset in the amount of 25% and, subject to specified contingencies with respect to fiscal year projections of General Fund revenues, provides for the implementation of similar, superseding offsets of 35%, 46.5%, 55%, and 67.5% to be applied to specified future calendar years.

This bill would deem vehicle license fees, due in 1998 on or before December 31 of that year with respect to an internationally registered vehicle, to have had a final due date during the 1999 calendar year. This bill would state the intent of the Legislature with respect to that provision, and would require the Department of Motor Vehicles to apply the motor vehicle license fee offsets resulting from this bill to motor vehicle license fees that will become due and payable in 1999 with respect to internationally registered vehicles.

This bill would take effect immediately as a tax levy.

*The people of the State of California do enact as follows:*

SECTION 1. Section 10754.1 is added to the Revenue and Taxation Code, to read:

10754.1. For purposes of applying paragraph (1) of subdivision (b) of Section 10754, the vehicle license fees, due in 1998 on or before December 31 of that year for a vehicle subject to the International Registration Program as described in Section 8052 of the Vehicle Code, are deemed to have had a final due date in the 1999 calendar year. It is the intent of the Legislature that this section be implemented to apply the 25 percent offset specified in paragraph (1) of subdivision (a) of Section 10754 to the vehicle license fees described in the preceding sentence. The department shall apply the

amount of each vehicle license fee reduction resulting from this section against the amount of vehicle license fees due and payable on the part of the relevant registrant in 1999.

SEC. 2. This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect.

